

## Minutes of the East Montpelier Selectboard

### December 10, 2018 Special Joint Meeting with the Calais Selectboard

**SB Attendance:** Chair Seth Gardner, Kim Swasey and Amy Willis; Town Administrator Bruce Johnson

**Calais SB Attendance:** Chair Denise Wheeler, Sharon Winn Fannon, Clif Emmons, John Brabant, and Rose Pelchuck

**Public Attendance (from East Montpelier):** None

Chair Gardner called the meeting to order at 7:05 p.m.

**Additions to Agenda:** None

**Public Comment:** None

Calais Selectboard Chair Denise Wheeler opened the joint meeting at 7:06 p.m.

### Discussion of the FY2020 Ambulance & Emergency Services Budget Request by the East Montpelier Fire Department

At the budget presentation on December 6<sup>th</sup>, EMFD made the following funding request to the towns:

Service	Calais		East Montpelier		Total	
	FY2020 Request	% Increase over FY19	FY2020 Request	% Increase over FY19	FY2020 Request	% Increase over FY19
Fire	\$ 62,218.67	9.57%	\$124,437.33	9.57%	\$186,656.00	9.57%
Ambulance	\$ 80,891.33	5.88%	\$161,782.67	5.88%	\$242,674.00	5.88%
<b>Total</b>	<b>\$143,110.00</b>	<b>7.45%</b>	<b>\$286,220.00</b>	<b>7.45%</b>	<b>\$429,330.00</b>	<b>7.45%</b>

Total EMFD FY2020 ambulance budget of \$333,220 includes projected contract payments from Plainfield (\$50,546) and Marshfield (\$40,000) for a total combined services budget of \$519,876, up 4.09% from FY2019.

Board members discussed the various elements of the budget that led to the proposed 7.45% increase in the town appropriations. On the fire side: the 9.57% increase is driven by substantial increases in the dispatch and vehicle repair lines. Although members were disheartened by the significant cost rise, there was general agreement that the increases were necessary. On the ambulance side: the 5.88% increase was mainly due to the need to replace a one-time infusion of \$10,831 into the staffing budget line from the EMFD fund balance made in FY2019. Once again, members generally supported the presented budget line levels. The need to continue the movement toward full paid staffing is understood and supported by the boards. The expectation is that off-the-top ambulance revenue will be utilized where necessary to pay for additional staffing whenever possible. Board members fully understand the trade-off: use of off-the-top ambulance revenue lowers the amount of that revenue transferred into the EMFD capital reserve fund, which in turn increases the likelihood that the towns will have to directly support equipment purchases, especially for the fire service. Calais board members were especially concerned that any increase beyond 3% would be difficult to manage in FY2020 due to a number of other forces likely to exert upwards pressure on the overall property tax rate in Calais. Since both boards were in agreement that the EMFD budget was acceptable in general, the discussion shifted to the possibility of using the ambulance revenue stream to buffer the EMFD budget's impact on the taxpayers. A 2% increase would require just under \$22,000 in ambulance revenue usage; 3% would need \$18,000.

The other main topic of discussion was a perceived inequity in the cost of ambulance service to the host towns, Calais & East Montpelier, and the contract towns, Plainfield & Marshfield. In particular, the Marshfield (2017 population of 1501) \$40,000/year contract was seen as out of line with the Calais (2017 population of 1597) budget request of \$80,891.33. Another element of this issue is the known structural imbalance in the fire and ambulance budgets, with the fire side carrying administrative and building costs that perhaps should be allocated between the two service budgets to present a fairer sense of actual costs of the two services. Other aspects that need to be considered: (1) the EMFD capital reserve fund, which provides money for equipment serving both branches; (2) the host towns pay the loan costs for the ESF (the new fire station) and East Montpelier, which technically owns the building, leases the facility to EMFD at no cost; and, (3) the host towns hold the residual rights should EMFD dissolve. Another concern regarding the contract towns is the potential for competitive bids from other ambulance service providers. The boards would like to sit down with EMFD to develop potential alternative methodologies for determining the cost of ambulance service to the various communities.

The two boards decided to accept the EMFD FY2020 budget levels as presented. A shift will be made to the revenue stream, with the addition of \$18,000 in off-the-top ambulance revenue and a corresponding decrease in the ambulance service payments by Calais (down \$6,000) and East Montpelier (down \$12,000). The revised FY2020 town budget numbers are as follows:

Service	Calais		East Montpelier		Total	
	FY2020 Request	% Increase over FY19	FY2020 Request	% Increase over FY19	FY2020 Request	% Increase over FY19
Fire	\$ 62,218.67	9.57%	\$124,437.33	9.57%	\$186,656.00	9.57%
Ambulance	\$ 74,891.33	-1.97%	\$149,782.67	-1.97%	\$228,674.00	-1.97%
<b>Total</b>	<b>\$137,110.00</b>	<b>2.95%</b>	<b>\$274,220.00</b>	<b>2.95%</b>	<b>\$411,330.00</b>	<b>2.95%</b>

**Motion: To authorize the use of \$18,000 of FY2020 ambulance service revenue as an FY2020 EMFD budget income source and to include an appropriation of \$274,220.00 in the FY2020 general Selectboard budget for the provision of ambulance and emergency services by EMFD.** Made by Ms. Swasey; second by Ms. Willis. Passed unanimously.

The Calais board passed an equivalent motion for an appropriation of \$137,110.

TA Johnson will craft a draft letter to EMFD expressing the boards’ desire to work with EMFD to develop a fair allocation of the actual overall cost of the emergency services provided by EMFD attributable to the fire service and ambulance service elements. The ambulance service allocation will then be used to develop equitable town shares of that expense based on population and, potentially, other as yet undefined elements. The intent is for the boards to finalize the letter for distribution to EMFD in January 2019.

**Motion: To adjourn.** Made by Ms. Willis; second by Ms. Swasey.

Meeting adjourned at 8:34 p.m.

Respectfully submitted by Bruce Johnson, Town Administrator

**Approved: December 17, 2018 East Montpelier Selectboard meeting**